

SLIDE STATUS SHEET

PROJECT NAME CSPA - PL1

NUMBER	DONE(Y/N)	NUMBER	DONE(Y/N)	NUMBER	DONE(Y/N)	NUMBER	DONE(Y/N)
1	✓ X	14	✓ X	28	✓ X		
2	✓ X	15	✓ X	29	✓ X		
2.1	✓ X	16	✓ X	30	✓ X		
^{1 time} _{PL2} 3	✓✓ X	17	✓ X	31	✓ X		
4	✓ X	18	✓ X	32	✓ X		
5	✓ X	19	✓ X	33	✓ X		
6	✓ X	20	✓ X	34	✓ X		
7	✓ X	21	✓ X				
8	✓ X	22	✓ X				
9	✓ X	23	✓ X				
10	✓ X	24	✓ X				
11	✓ X	25	✓ X				
12	✓ X	26	✓ X				
13	✓ X	27	✓ X				

INPUT

European Customer Service Overview

Peter Lines
Director, European Research
INPUT



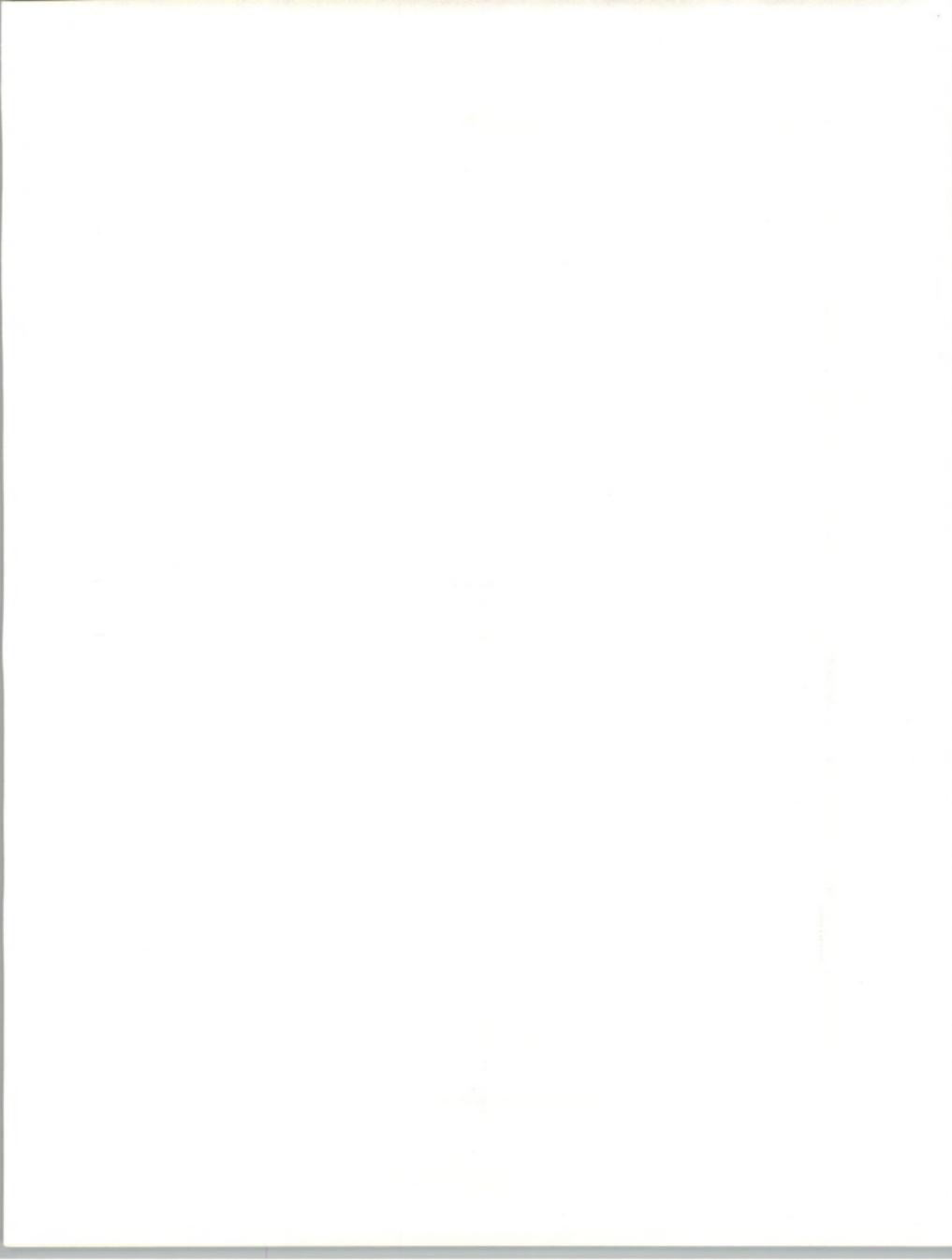
Customer Services Outlook Western Europe

- 1989 - Issues
- Current trends
- Strategic factors - 1998

INPUT

Notes:

CSPA-PL1-2



Customer Service Challenges

- Independent maintenance
- Engineer skills
- Cost of spares
- Logistics
- Professional services

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Notes:

CSPA-PL1-2.1



Market Structure

Hardware

Customer service

Software products

Professional services

Processing services

INPUT

NOTES:

CSPA-PL1-3



Customer Service Market

- Hardware maintenance
- Systems software support
- Professional services
- Training and education

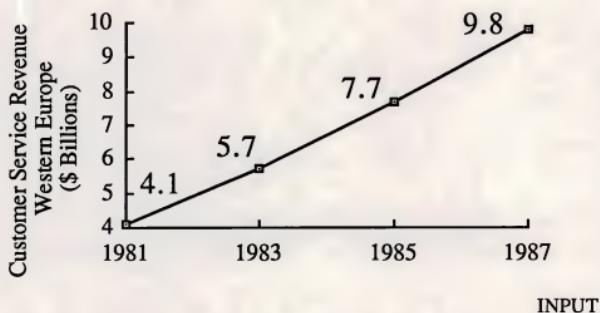
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Notes:

CSPA-PL1-4



Revenue Growth of the Customer Services Market, 1981-1987



NOTES:

CSPA-PL1-5



Western European Computer Systems Market 1988

Sector	\$ Billions	87/88 % Growth
Equipment	44	10
Customer service	11	8
Software products	14	24
Professional services	13	22
Processing services	8	11
Total	90	14

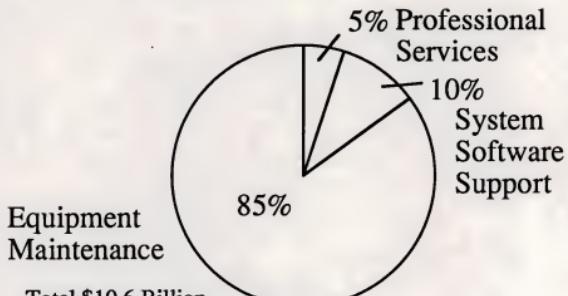
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NOTES:

CSPA-PL1-6



Western European Customer Service Market, 1988



INPUT

NOTES:

CSPA-PL1-7



Western European Customer Service Market, 1988



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CSPA-PL1-8



Customer Service Issues

- Competition
- Marketing
- User satisfaction

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Notes:

CSPA-PL1-9

Customer Service Issues

- Skill needs
- Professional services

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Notes:

CSPA-PL1-10



Customer Service Issues

- Pricing/costs
- Automated service
- Self maintenance

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Notes:

CSPA-PL1-11



Current Trends
1988-1993
European Customer Service

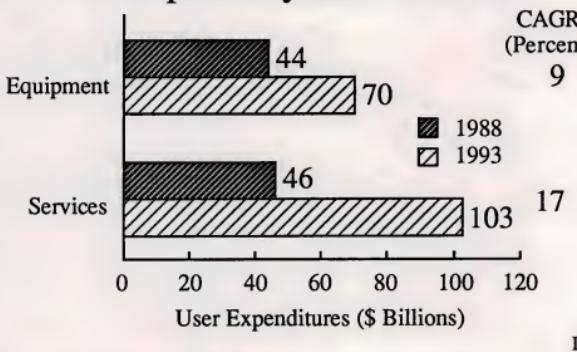
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CSPA-PL1-12



Western European Computer Systems Market



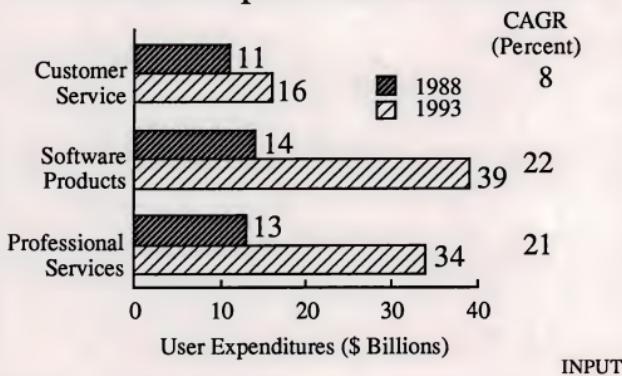
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CSPA-PL1-13



Western European Service Markets

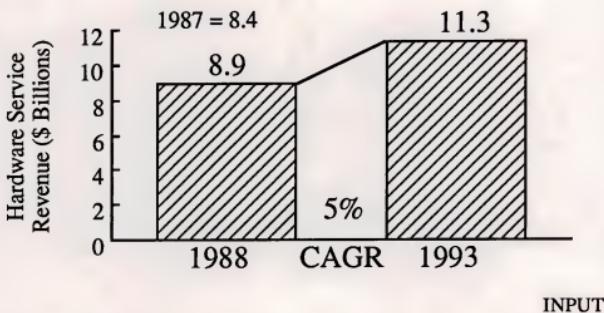


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CSPA-PL1-14



Customer Services Market Western Europe

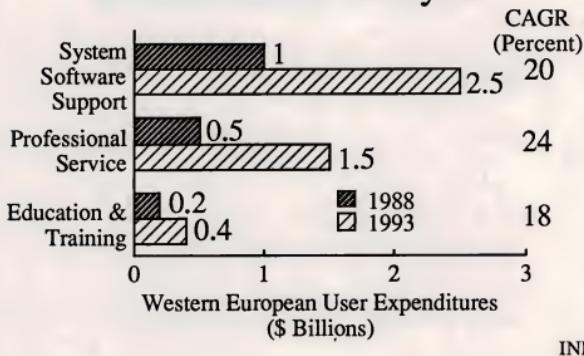


NOTES:

CSPA-PL1-15



Customer Service Market Service Sector Analysis



NOTES:

CSPA-PL1-16



Key Trends Influencing Customer Service

- Repair → replacement
- Remote/automated services
- Logistics

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Notes:

CSPA-PL1-17



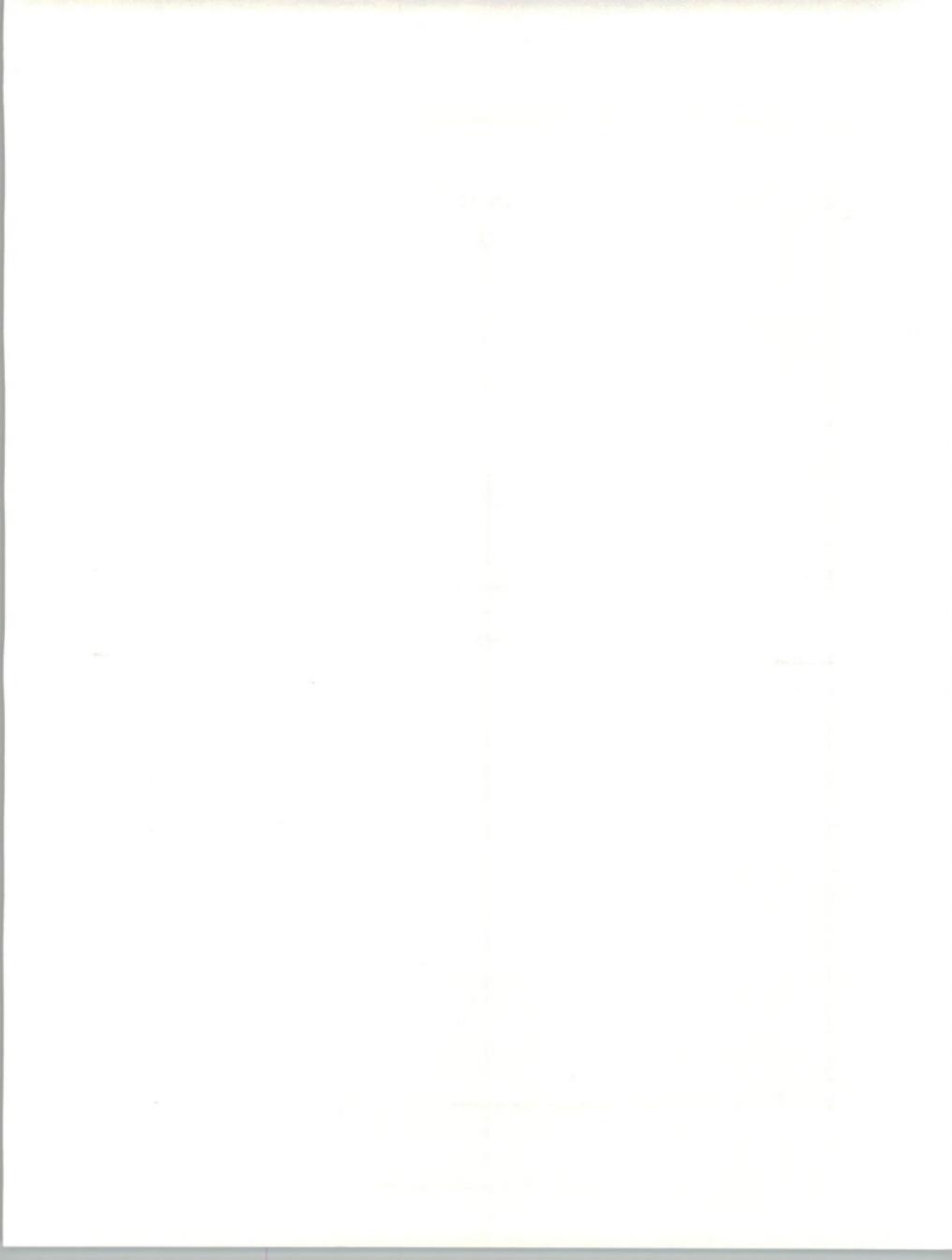
Key Trends Influencing Customer Service

- Unit → system support
- Changing skill mix
- Professional services

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Notes:

CSPA-PL1-18



The Customer Service Challenge



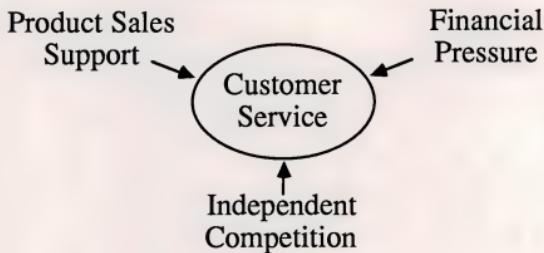
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CSPA-PL1-20



The Customer Service Challenge



NOTES:

CSPA-PL1-19



Strategic Factors 1988-1998

Customer Service Western Europe

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NOTES:

CSPA-PL1-21



Strategic Factors

- Technology
- Commercial/organizational
- Information systems

INPUT

Notes:

CSPA-PL1-22



Technology Drivers

- Semiconductor technology
- Data storage
- Telecommunications
- Input/output

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Notes:

CSPA-PL1-23



Software Drivers

- Relational data structures
- Open systems standards
- Multiplatform software

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Notes:

CSPA-PL1-24

Fundamental Driving Forces

Key Business Trends:

- Shorter product lifecycles
- More customization/specialization
- Narrower market segments
- Higher impact of technology
- More competition

INPUT

Notes:

Key Trends for the 1990s

- Product and service markets blurring
- Changing market structure
- Internationalisation

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Notes:

CSPA-PL1-26

Fundamental Driving Forces Are Restructuring the Role of IS

- Technology-driven to user-driven
- Centralised to heterogeneous

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Notes:

CSPA-PL1-27



Information Systems—Major Issues

- Rising management expectations
- User demands for increasingly complex solutions
- Managing the technology investment
- Integration of data/technology/applications
- Delivery of "mission critical" systems

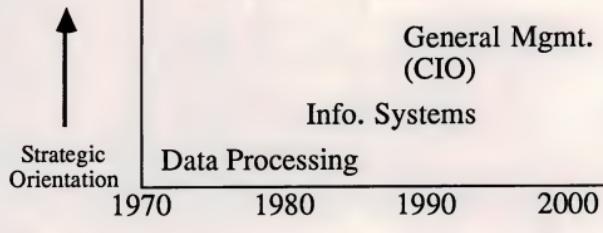
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CSPA-PL1-28



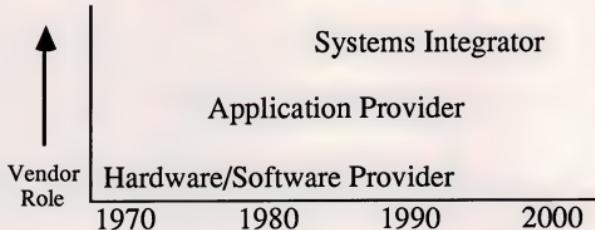
Orientation of the Responsibility



NOTES:



Role of the IS Vendor



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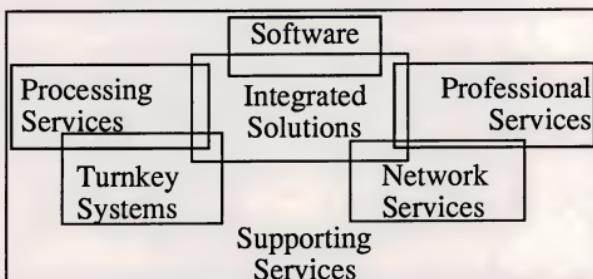
NOTES:

CSPA-PL1-30



IS Market Structure—1990s

Emphasis on Supporting Services



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NOTES:

CSPA-PL1-31



Implications for Customer Service Hardware Maintenance

- Reactive → proactive
- Service automation
- Logistics
- Repackaging

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Notes:

CSPA-PL1-32



Implications for Customer Service

User Satisfaction

- Quality
- System responsibility
- Skill profile

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Notes:

CSPA-PL1-33



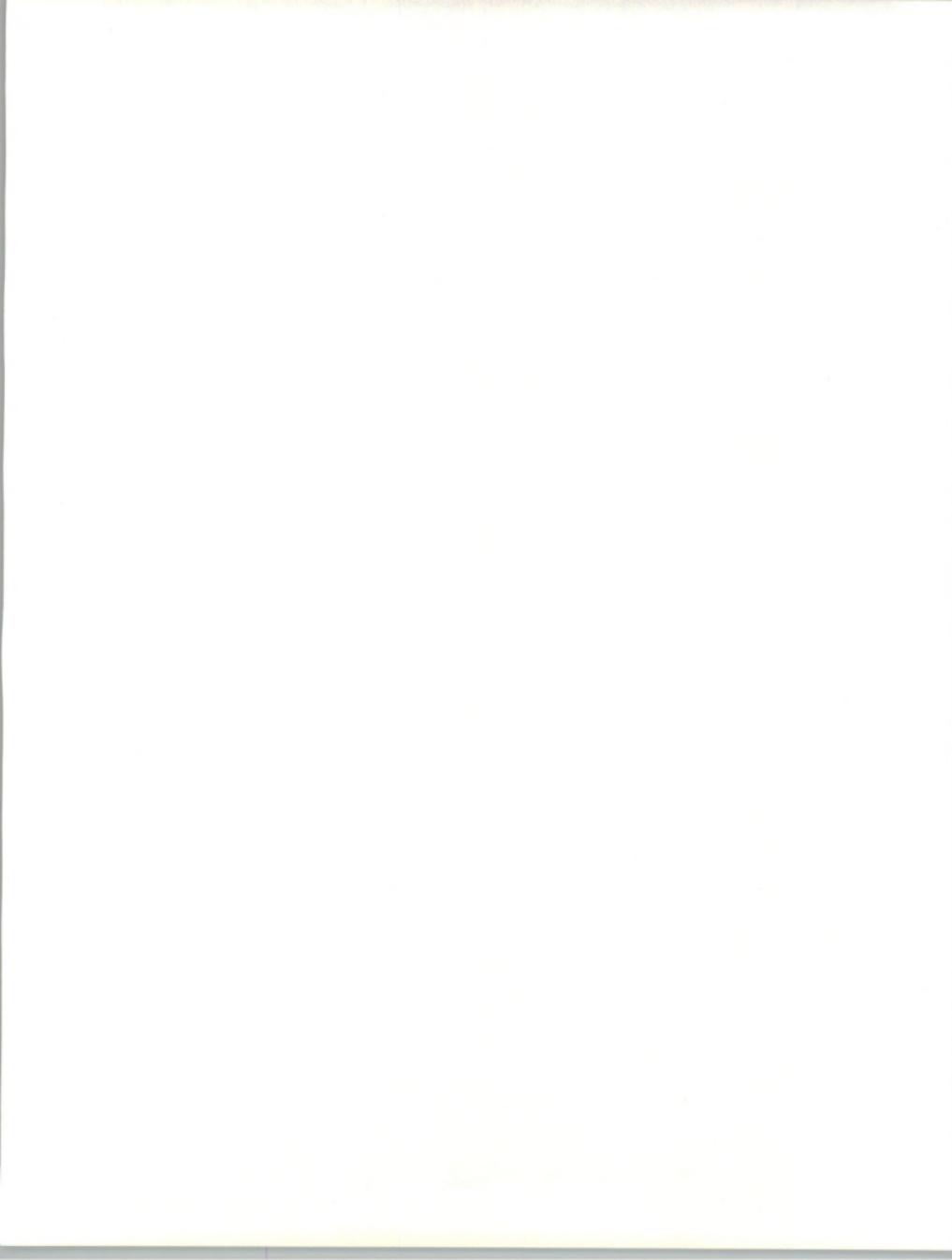
Implications for Customer Service

Supporting Services—The Opportunity

- Redefinition
- Professional services
- Independents

INPUT

Notes:



Peter Lines
Director
INPUT

Peter Lines has 20 years of experience in the information industry. He has held various market research, systems analysis, marketing support, and planning management positions with Sperry Univac, International Computers Ltd., and English Electric Computers.

Mr. Lines earned a B.Sc. degree in economics from the London School of Economics.



QUALITY CONTROL PROOFREADING SIGNOFF

DESCRIPTION European Customer Service Overview
PROJECT CODE CSPA-PL-1
AUTHOR PETER LINES

DATE TO PROOFREADER	TO BE PROOFED BY	INITIAL	DATE
4/7/89	Steven Eng	SE	4/7/89
FINAL Q.C.			

READY FOR PRINTER

INPUT**PRODUCTION WORK ORDER**

(Please fill out both sides)

DATE IN: _____ DATE DUE: 4/19/89 PROJECT CODE: CSP4 - PL 1AUTHORIZED BY: Peter Lines NEW REPEAT REPEAT W/CHANGE**WORK SPECIFICATIONS**

DATE OF PRESENTATION: _____

Additional Information

- 35mm Slides
- Foils
- Exhibits
- Questionnaire
- Letter
- Business Card
- Note Paper
- Newsletter
- News Release
- Form
- Brochure
- Cover Design
- Other

Number of pages submitted _____ Text _____ Graphics _____

SPECIAL INSTRUCTIONS

MAILING SPECIFICATIONSEnvelope: No. 10 9 x 12 10 x 13 Reply Envelope Quantity _____
 First Class Bulk Address Labels (Zip Code Order)

Enclosures:

- Letter
- Questionnaire
- Newsletter
- News Release
- Form
- Brochure
- Business Reply Envelope
- Other

PRINTING SPECIFICATIONS

Quantity/Slides/Foils	_____	
Quantity/Hard Copy	_____	
Paper Size	X	
Finished Size	_____	
Number of Pages	_____	
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<input type="checkbox"/> Photocopy	_____	
<input type="checkbox"/> Single side	_____	
<input type="checkbox"/> Double side	_____	
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<input type="checkbox"/> Velobind punch	_____	
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<input type="checkbox"/> Ink Color	_____	
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<input type="checkbox"/> Pad	_____	
<input type="checkbox"/> Saddle Stitch	_____	
<input type="checkbox"/> Box	_____	
<input type="checkbox"/> Shrink Wrap	_____	
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MAIL _____ COPIES DIRECTLY TO:

Distribution:

<input type="checkbox"/> Initial Mailing	_____
<input type="checkbox"/> Shelf Stock	_____
<input type="checkbox"/> NJ	_____
<input type="checkbox"/> DC	_____
<input type="checkbox"/> London	_____
<input type="checkbox"/> Paris	_____
<input type="checkbox"/> Japan	_____

TOTAL

Quantity

1.

EUROPEAN CUSTOMER SERVICE
OVERVIEW

PETER LINES

DIRECTOR, EUROPEAN RESEARCH

CSPA - PL1 - 1

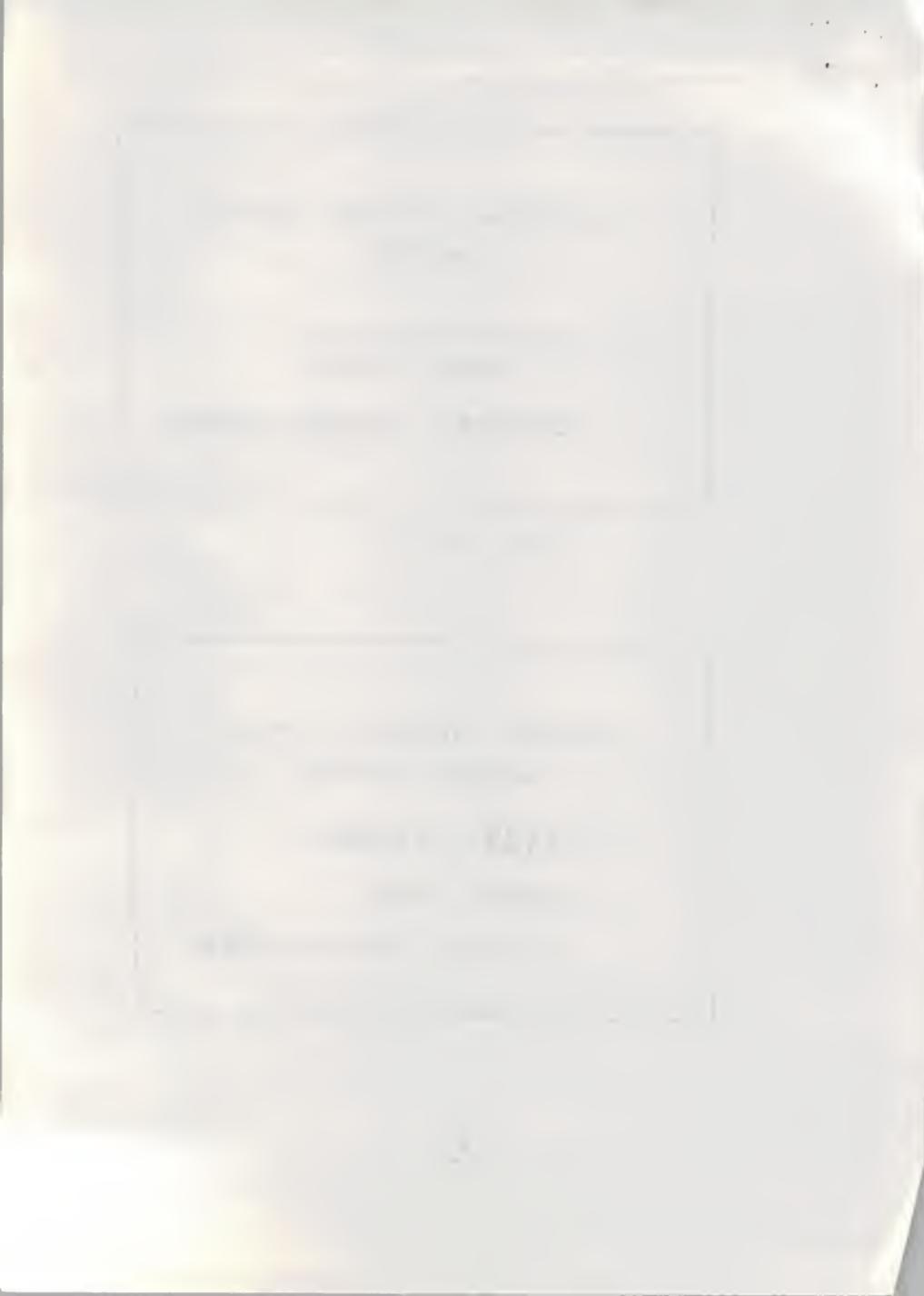
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CUSTOMER SERVICE OUTLOOK

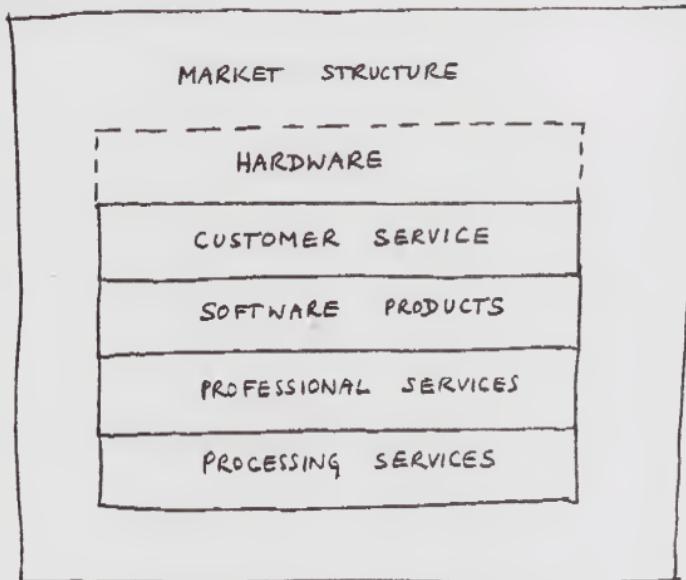
- WESTERN EUROPE

- 1989 - ISSUES
- CURRENT TRENDS
- STRATEGIC FACTORS - 1998

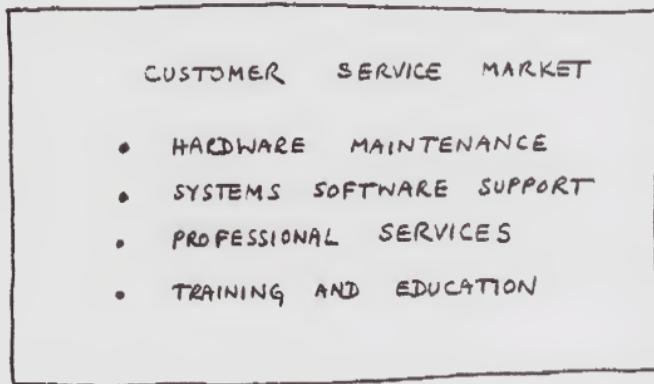
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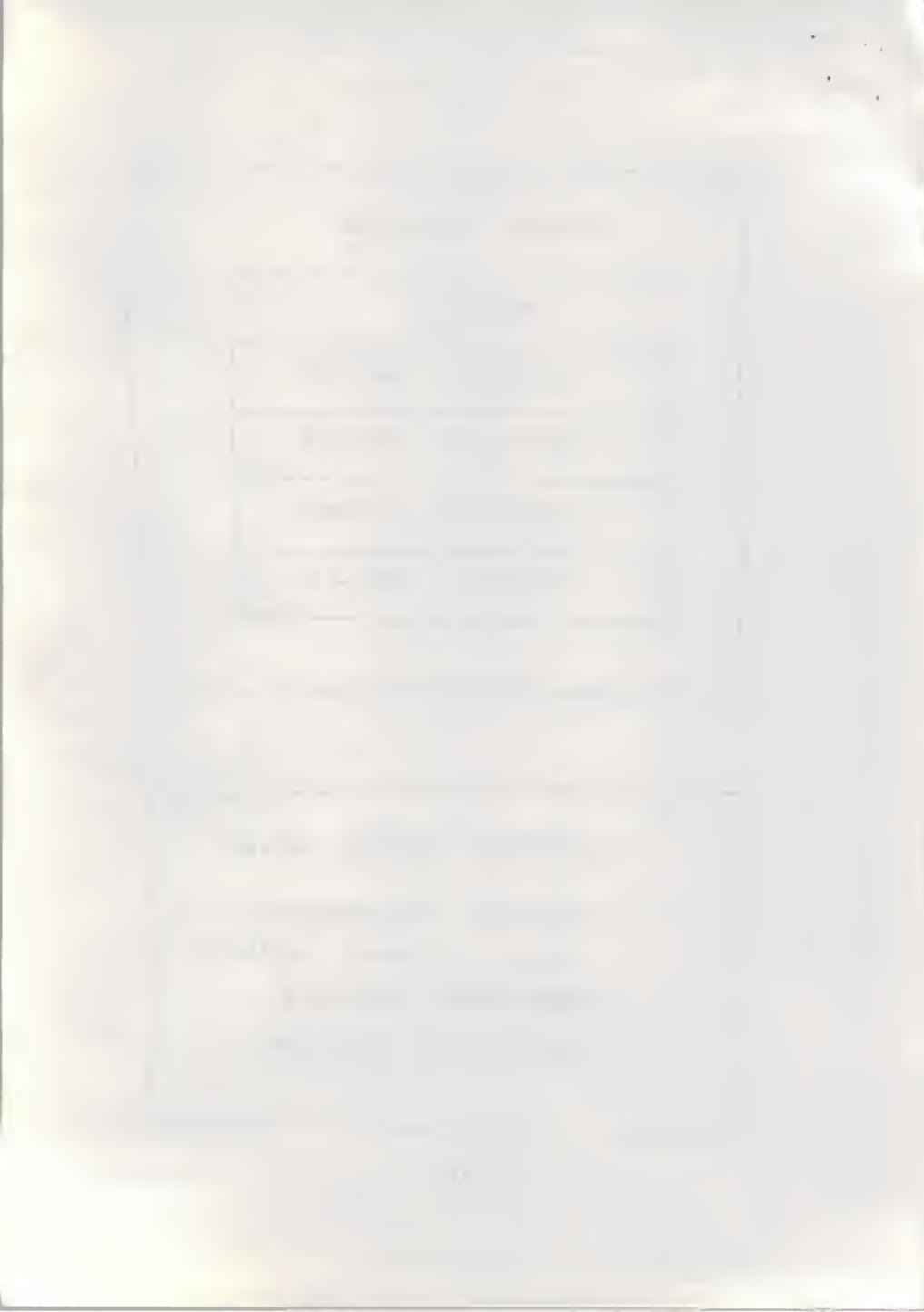
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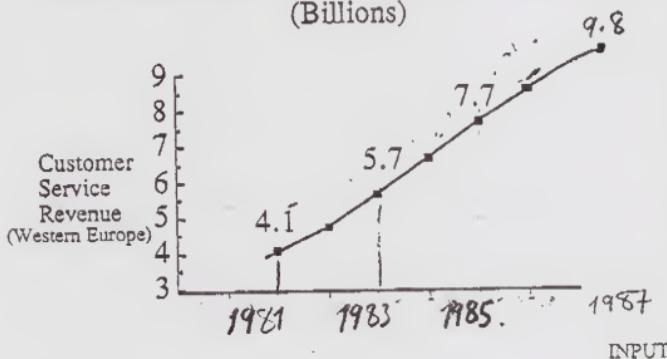
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5.

Revenue Growth of the
Customer Services Market, 1980-1986
(Billions)

INPUT

NOTES:

China last year

- Heilian Text factory.

CSPE PL-6

(4)



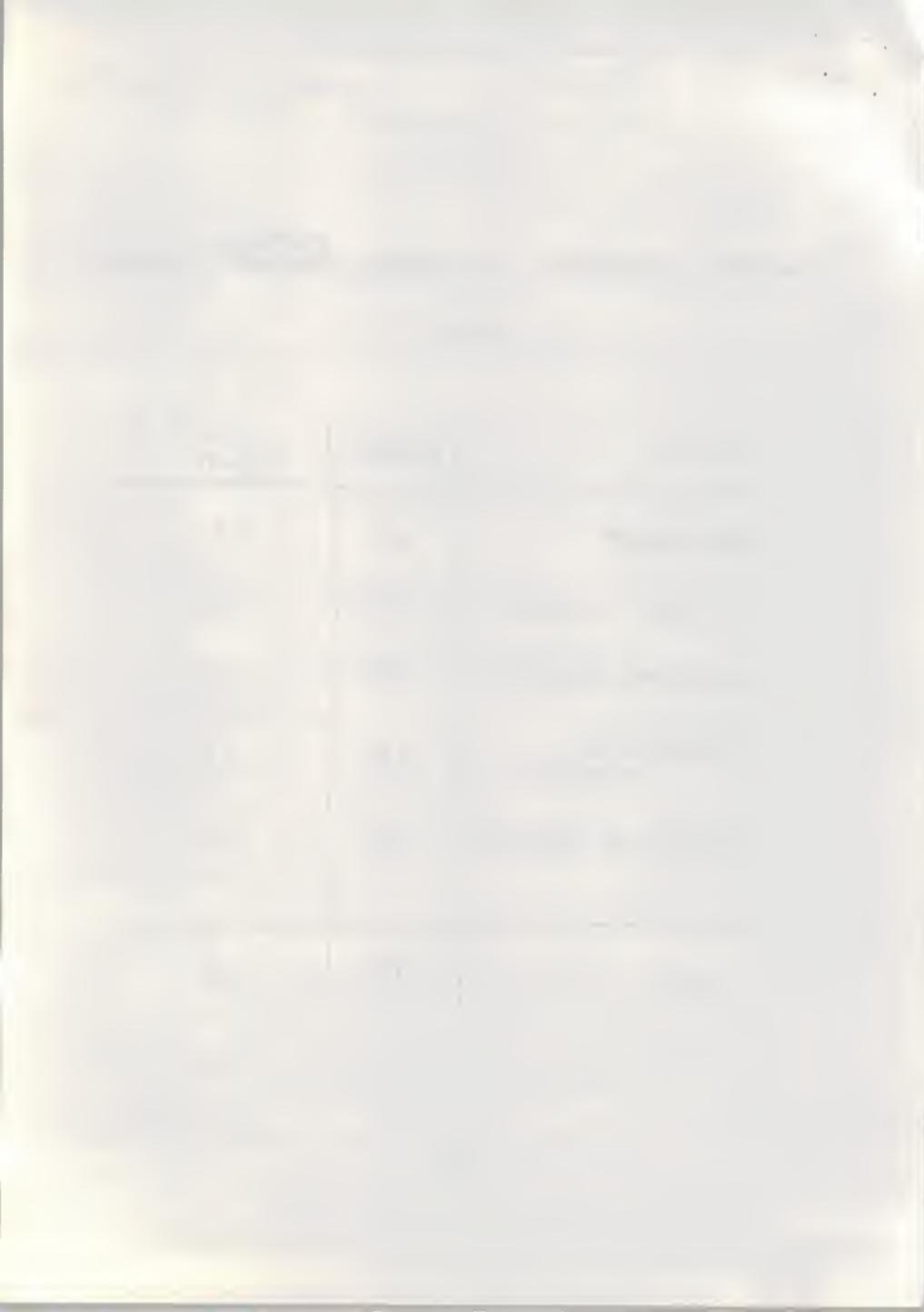
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WESTERN EUROPEAN COMPUTER SYSTEMS SERVICES MARKET

1988

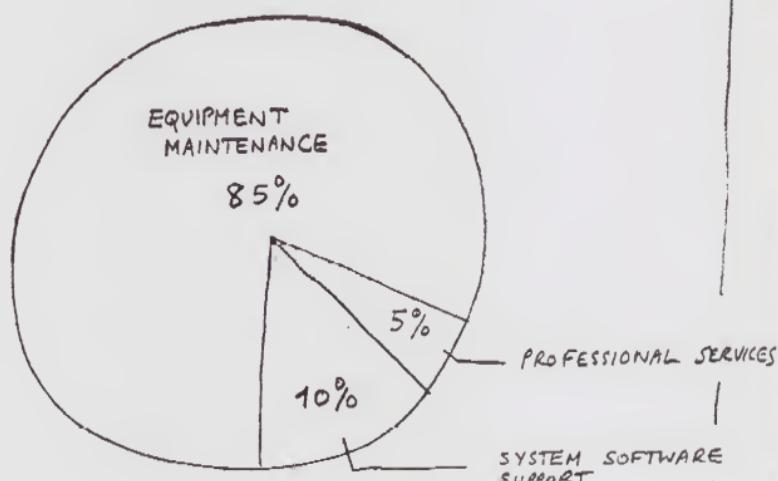
SECTOR	\$ BILLION	87/88 GROWTH %
EQUIPMENT	44	10
CUSTOMER SERVICE	11	8
SOFTWARE PRODUCTS	14	24
PROFESSIONAL SERVICES	13	22
PROCESSING SERVICES	8	11
TOTAL	90	14

(5)



7.

WESTERN EUROPEAN CUSTOMER SERVICE
MARKET - 1988

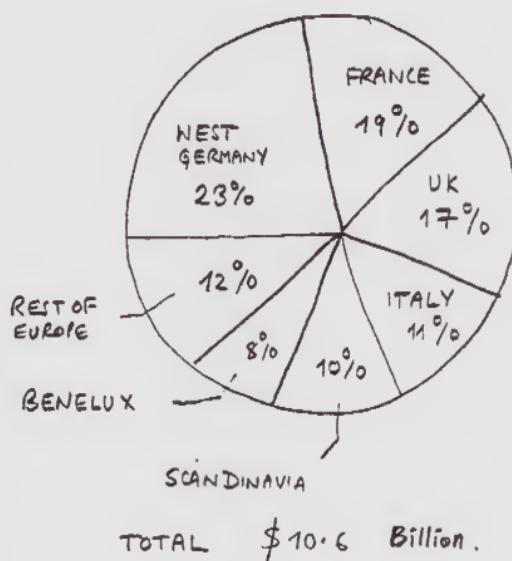


TOTAL \$10.6 Billion.

⑥



8

WESTERN EUROPEAN CUSTOMER SERVICE
MARKET - 1988

(7)



9

CUSTOMER SERVICE ISSUES

- COMPETITION
- MARKETING
- USER SATISFACTION

10

CUSTOMER SERVICE ISSUES

- SKILL NEEDS
- PROFESSIONAL SERVICES

11

CUSTOMER SERVICE ISSUES

- PRICING / COSTS
- AUTOMATED SERVICE
- SELF MAINTENANCE

(8)



12

CURRENT TRENDS

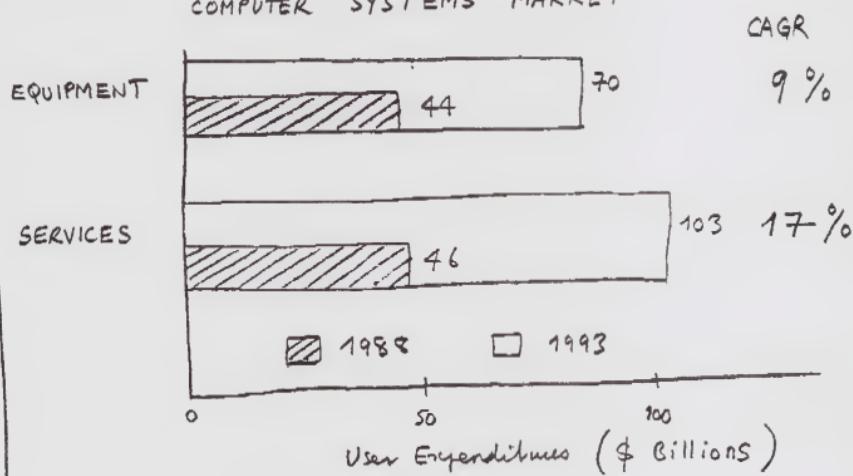
1988 - 1993

EUROPEAN CUSTOMER SERVICE



13

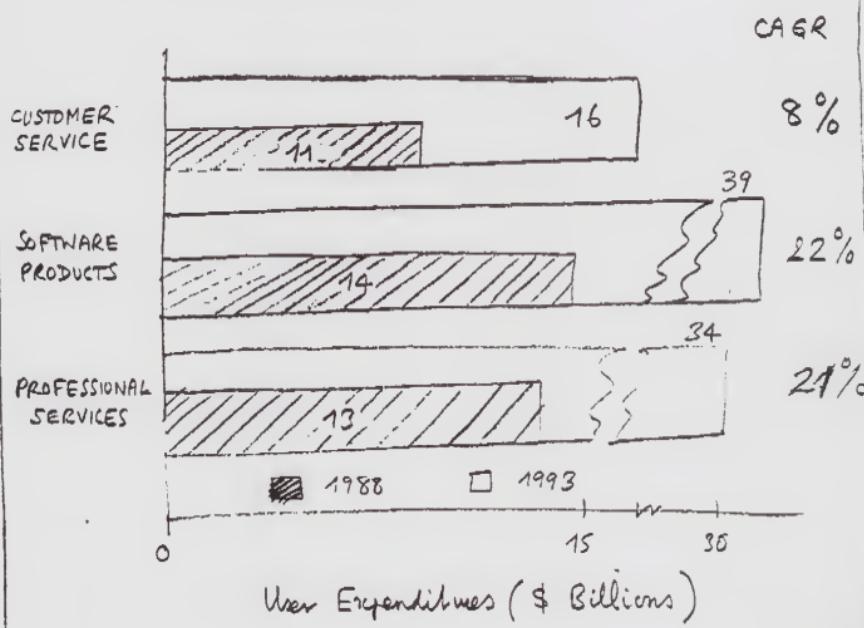
WESTERN EUROPEAN
COMPUTER SYSTEMS MARKET



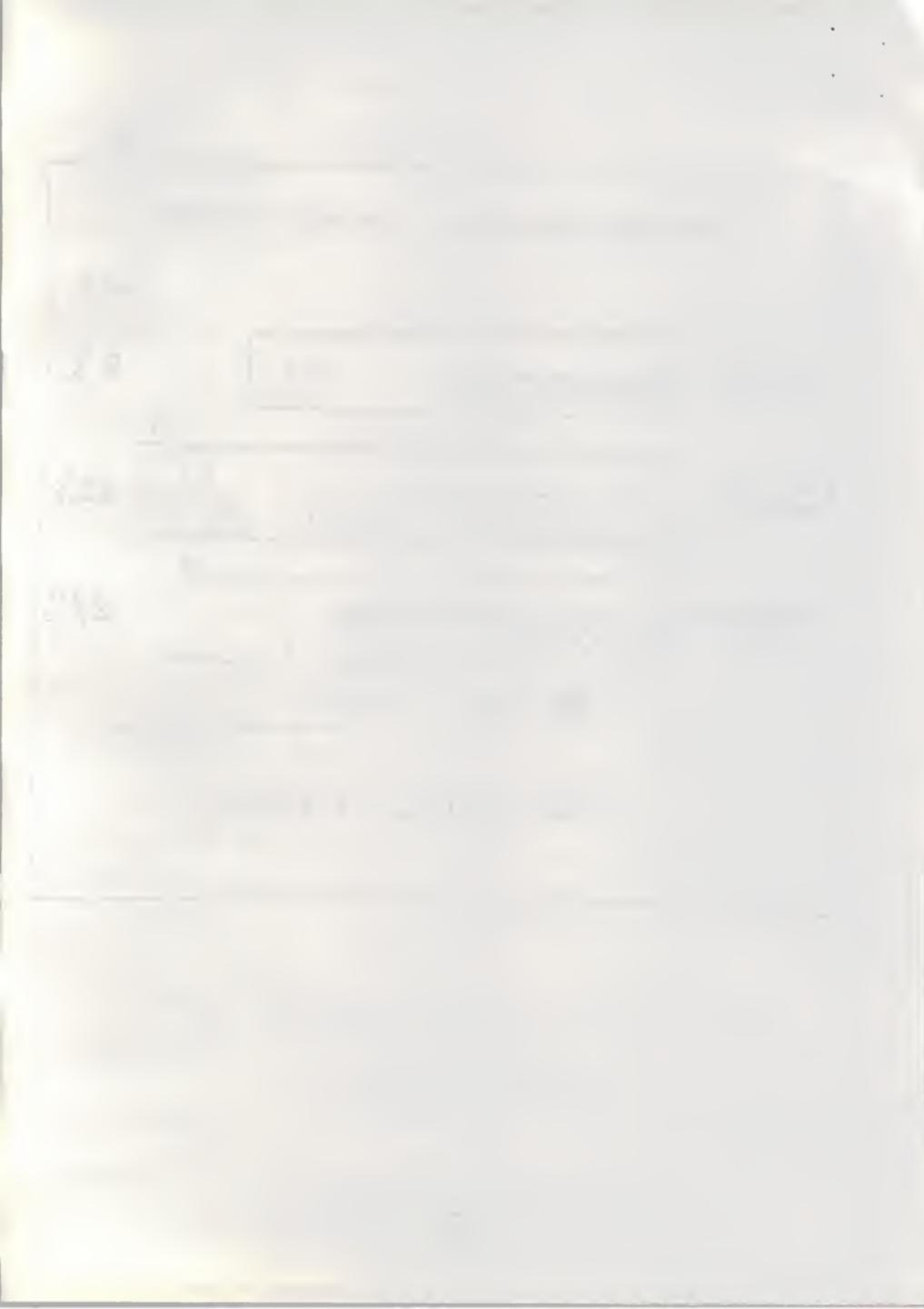


14

WESTERN EUROPEAN SERVICE MARKETS



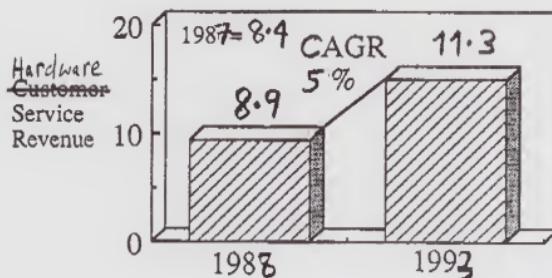
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21-22 PICCADILLY LONDON W1W0H

15

Customer Services Market Western Europe (\$ Billions)

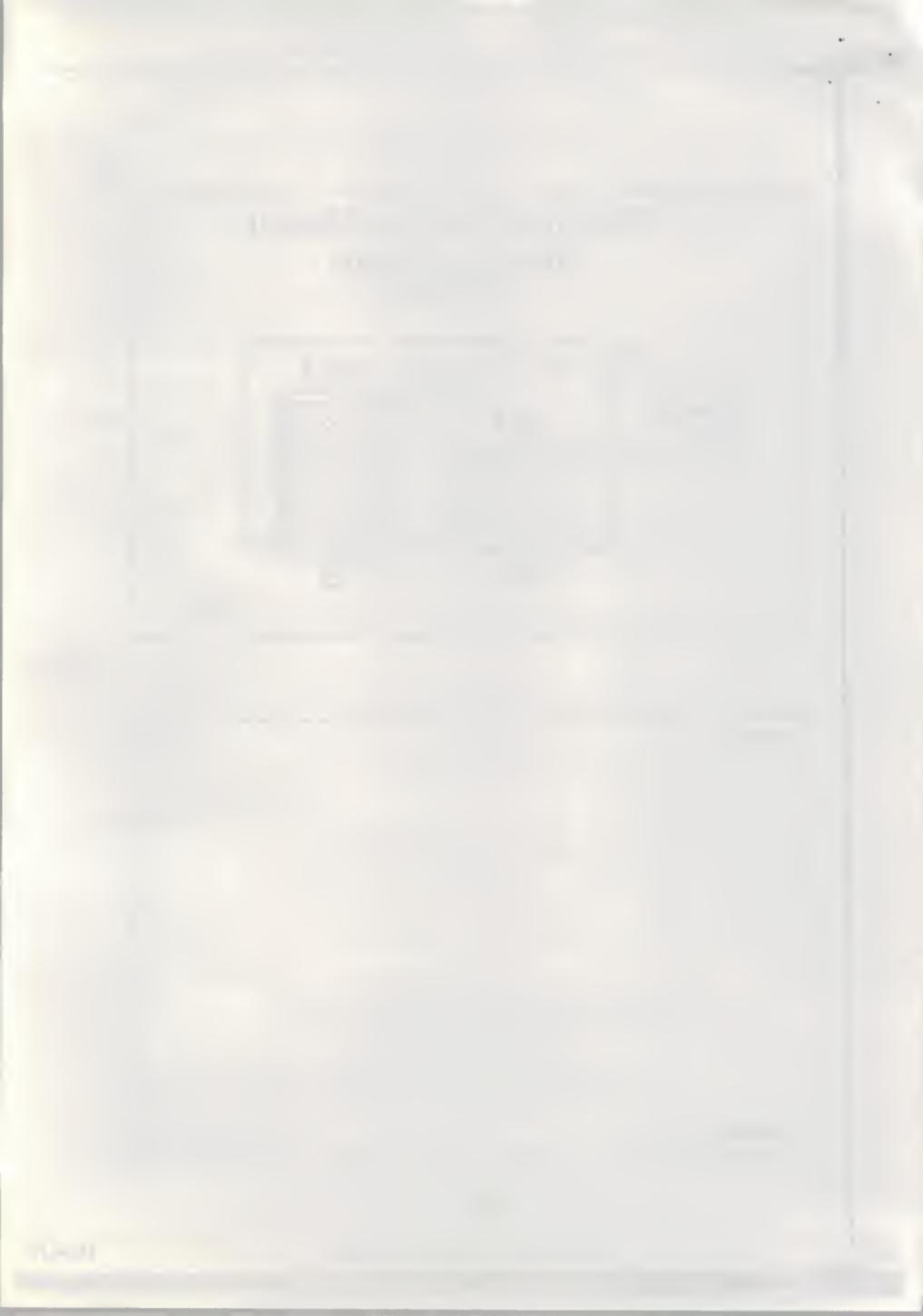


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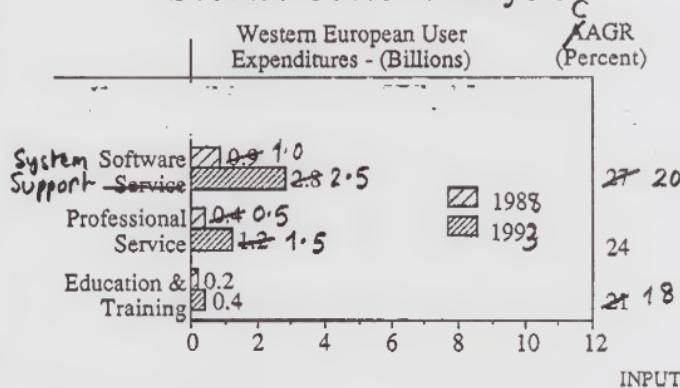
CSPE PL-5

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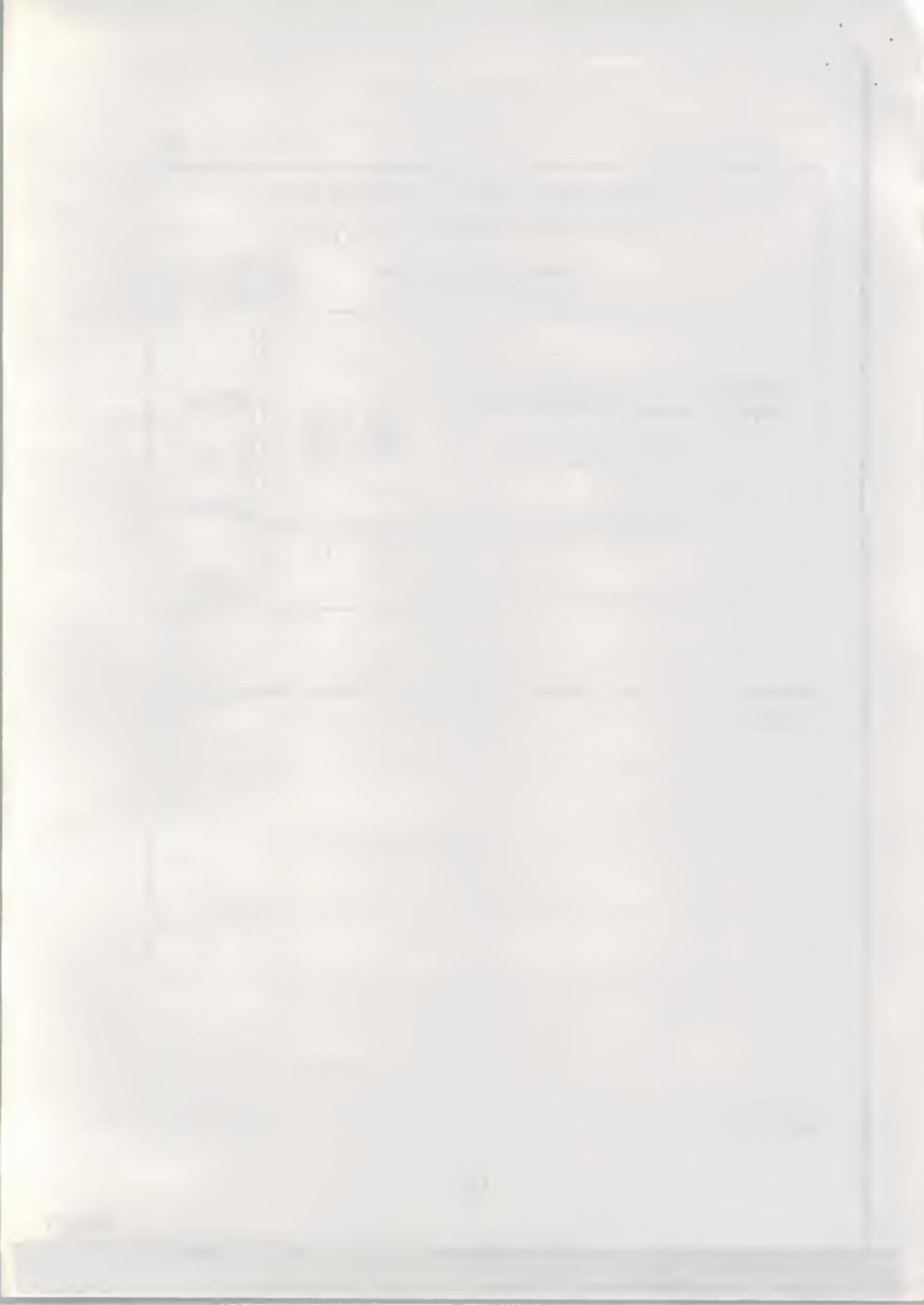
Customer Service Market— Service Sector Analysis



NOTES:

CSPE PL-7

(15)



17

KEY TRENDS INFLUENCING
CUSTOMER SERVICE

- REPAIR → REPLACEMENT
- REMOTE / AUTOMATED SERVICE
- LOGISTICS

18

KEY TRENDS INFLUENCING
CUSTOMER SERVICE

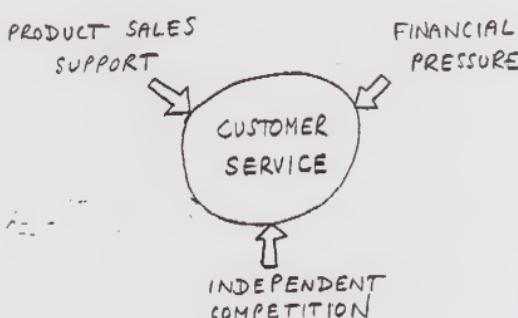
- UNIT → SYSTEM SUPPORT
- CHANGING SKILL MIX
- PROFESSIONAL SERVICES

(14)



19

THE CUSTOMER SERVICE CHALLENGE



The current challenge is thus to

15

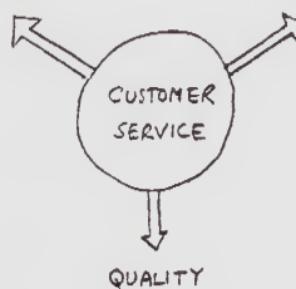


20

THE CUSTOMER SERVICE CHALLENGE

REDEFINITION

REPACKAGING



21

STRATEGIC FACTORS

1988 - 1998

CUSTOMER SERVICE
WESTERN EUROPE



22.

STRATEGIC FACTORS

- TECHNOLOGY
- COMMERCIAL / ORGANISATIONAL
- INFORMATION SYSTEMS

23.

TECHNOLOGY DRIVERS

- INTEGRATED CIRCUITS
- DATA STORAGE
- TELECOMMUNICATIONS
- INPUT / OUTPUT

24.

SOFTWARE DRIVERS

- RELATIONAL DATA STRUCTURES
- OPEN SYSTEMS STANDARDS
- MULTIPLATFORM SOFTWARE

(2)

25.

Fundamental Driving Forces

Key Business Trends:

- Shorter Product Lifecycles
- More Customization/Specialization
- Narrower Market Segments
- Higher Impact of Technology
- More Competition

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NOTES:

JJ88-DW1-3



26.

KEY TRENDS FOR THE 1990'S

- PRODUCT & SERVICE MARKETS BLURRING
- CHANGING MARKET STRUCTURE
- INTERNATIONALISATION

NOTES

Market Structure - Small v Big
v New v Old.

Affects both IS Industry
& Industry in general.

INTERNATIONALISATION - 1992

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27.

FUNDAMENTAL DRIVING FORCES
ARE RESTRUCTURING THE ROLE
OF IS

- TECHNOLOGY-DRIVEN
TO USER-DRIVEN
- CENTRALISED TO
HETEROGENEOUS

(5)



28.

Information Systems—Major Issues

- Rising Management Expectations
- User Demands for Increasingly Complex Solutions
- Managing the Technology Investment
- Integration of Data/Technology/Applications
- Delivery of "Mission Critical" Systems

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NOTES:

The challenges to IS Management
are to : Adopt New Technology
: Integrate □ Technologies
(COMPLEXITY)
: Maintain Existing Systems.

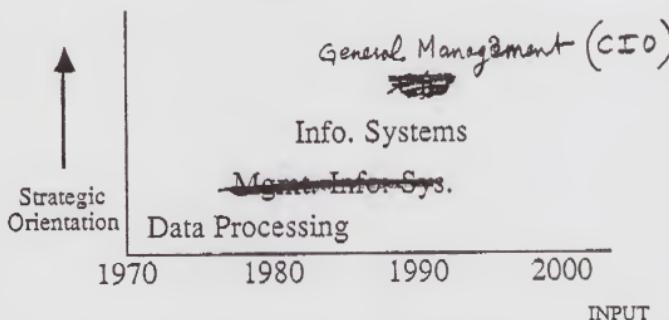
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29.

Orientation of the Responsibility



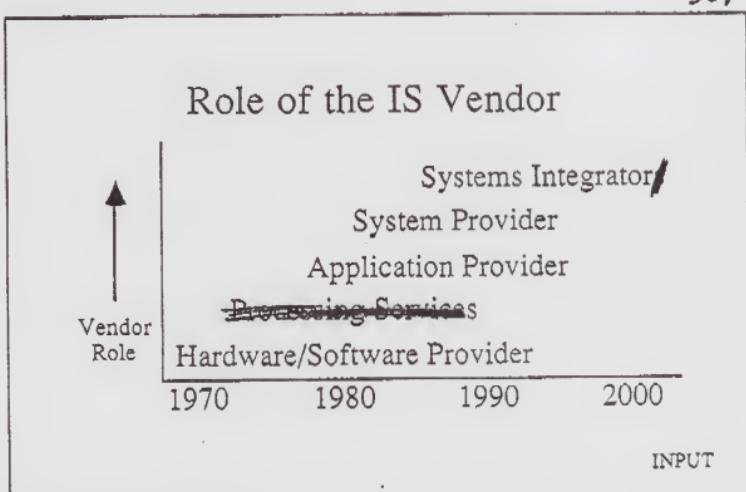
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JJ88-DT1-7

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30.



NOTES:

JJ88-DT1-6

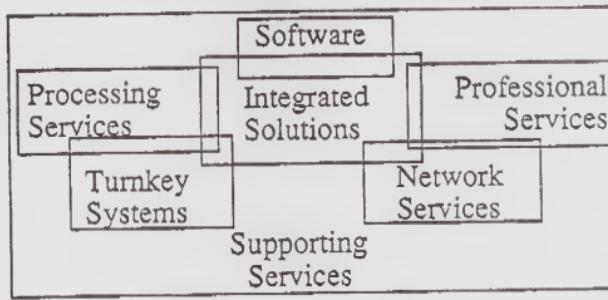
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31.

IS Market Structure—1990s

Emphasis on Supporting Services



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NOTES:

JJ88-DW1-18

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32. IMPLICATIONS FOR CUSTOMER SERVICE

HARDWARE MAINTENANCE

- REACTIVE → PROACTIVE
- SERVICE AUTOMATION
- LOGISTICS
- REPACKAGING

Service automation
→ Labour → Capital Intensive.

Repackaging
- Warrnly / Bundling.



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P. 11

33

IMPLICATIONS FOR CUSTOMER SERVICE

USER SATISFACTION

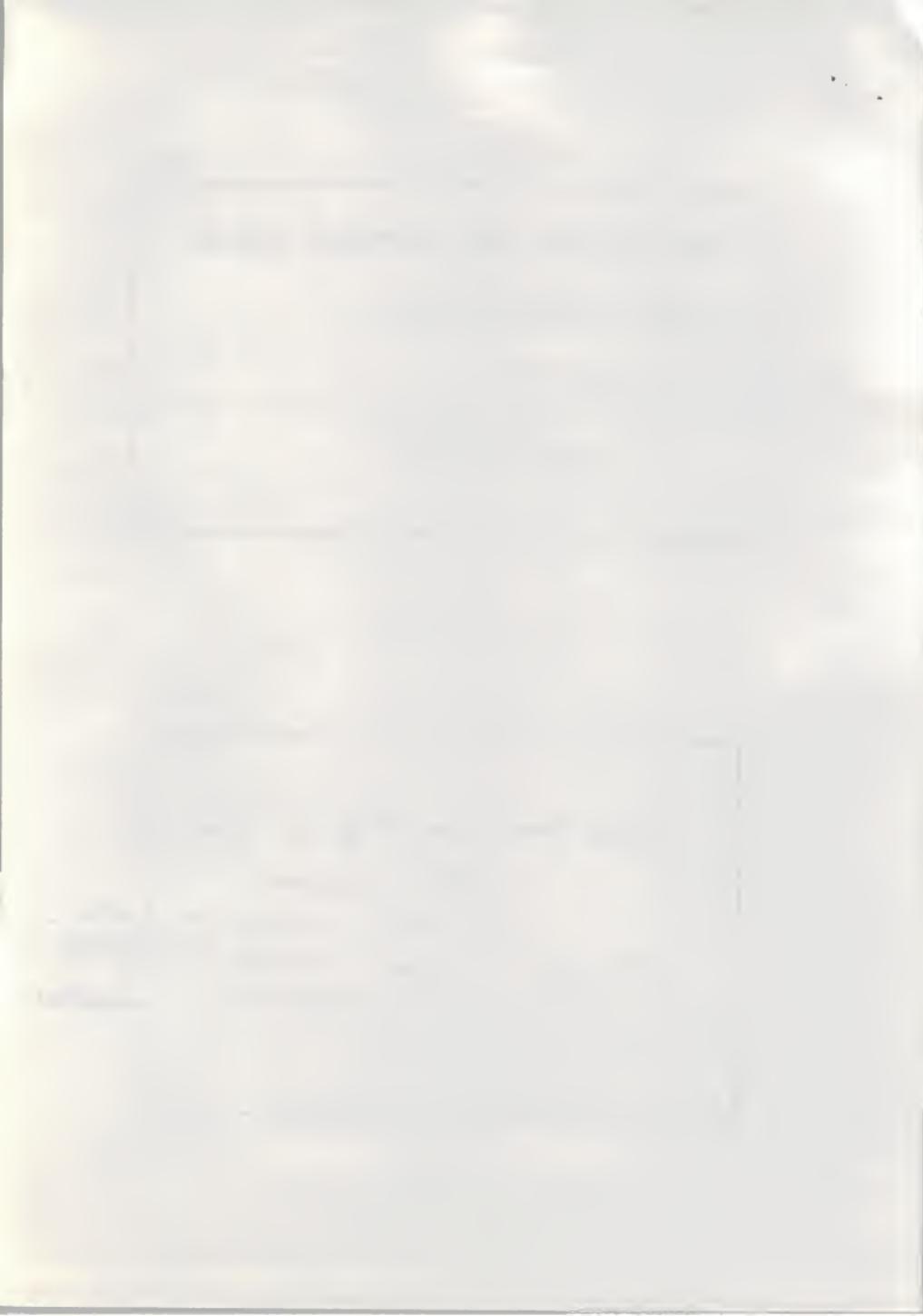
- QUALITY
- SYSTEM RESPONSIBILITY
- SKILL PROFILE

Higher level responsibility for system

- problems management
H/W \rightarrow Solving emphasis.

Skill profile \triangle types low level
centralised etc

single knowledge of applications.



34.

IMPLICATIONS FOR CUSTOMER SERVICE

SUPPORTING SERVICES
- THE OPPORTUNITY

- REDEFINITION
- PROFESSIONAL SERVICES
- INDEPENDENTS

Supporting Services \rightarrow Growth Rate implications
Blurring Boundaries
 \therefore what business sector do you
want to be in.

\rightarrow Redefinition and (Relate to other
services)
the ever-increasing presence
of independents.

not just TPM in other sectors
will continue. even more
by prof-services / SI

But Big Supplier will
always have support role.

12

Solution emphasis

